

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 2523

IN THE MATTERS OF:

Served January 31, 1984

Application of SHAW BUS SERVICE, )  
INC., for a Certificate of Public )  
Convenience and Necessity to )  
Conduct General Charter Operations )

Case No. AP-83-53

By application filed August 31, 1983, Shaw Bus Service, Inc., sought a certificate of public convenience and necessity to transport passengers and baggage in charter operations between points in the Metropolitan District. Protests to the application were submitted on behalf of White House Sightseeing Corporation, Airport Limo, Inc., Webb Tours, Inc., \*/ Eyre's Bus Service, Inc., and Gold Line, Inc. Pursuant to Order No. 2473, served September 26, 1983, public hearings were held on this application on December 6 and 8, 1983.

At the hearing, Shaw amended its application to charter operations for only two accounts -- The Capital Informer, Inc., and Full House Enterprises Corporation. Upon acceptance of that amendment, the remaining protestants withdrew.

Prior to withdrawing their protests, however, counsel for Gold Line, Inc., and Eyre's Bus Service, Inc., made a statement on the record alleging that Shaw Bus Service, Inc., engaged in illegal operations while operating under the temporary authority granted to applicant by Order No. 2455. Counsel alleged that applicant was observed by employees of Gold Line, Inc., transporting passengers from the Pentagon in Virginia to points within the District of Columbia on September 13 and 14, 1983. Counsel also alleged that, in response to telephone calls for service made by employees of Gold Line, Inc., applicant offered to provide service it did not hold authority to provide.

Applicant has been in business for over 36 years and has been engaged for many years in the transportation of schoolchildren in Maryland and in interstate commerce. Shaw Bus Service, Inc., holds Interstate Commerce Commission authority to conduct special and charter operations between points in the United States. Applicant's vice president, when informed that some of Shaw's operations required authority from this Commission, terminated operations in the

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\*/ Webb did not appear at the hearing or offer evidence, and its protest, accordingly, shall be given no weight.

Metropolitan District and filed for, and was granted, temporary authority in Order No. 2455 to conduct charter operations in the Metropolitan District for the two accounts sought to be served in this proceeding.

Shaw operates six buses, each of which seats 46 or 47 passengers. Four of the six buses are less than two years old. Two additional buses were scheduled for delivery the week of December 12, 1983. Two more buses have been ordered for mid April 1984. All of Shaw's buses have restrooms, heating and air-conditioning, reclining seats and public address systems, and most have stereo equipment. Shaw has its own maintenance facilities with three full-time mechanics, one an expert motor coach mechanic, on staff. Spot safety checks by United Bus Operators of America are performed, with the most recent being in late November 1983. United Bus Operators of America, according to applicant's vice president, found the Shaw buses to be in excellent condition.

The Public Service Commission of Maryland inspects the buses annually, and each driver must fill out and review daily safety check lists which are maintained on each bus. There are six full-time drivers for the Shaw buses with four part-time drivers, who also drive Shaw school buses. No accidents involving a Shaw bus have been attributed to a Shaw employee.

For the fiscal year ended June 30, 1983, applicant had a current assets/current liabilities ratio of three to one. Applicant shows revenues of \$1,198,355.67, operating costs of \$1,178,434.99, with a net income after income taxes of \$40,529.79. While operating under temporary authority to serve the two accounts sought to be served here, applicant generated revenues of \$4,000 to \$5,000 per month.

In response to allegations of unlawful operations by counsel for Gold Line and Eyre's, the witness for Shaw introduced documentary evidence establishing that the mid-September 1983 service provided from the Pentagon to points in the District of Columbia was for the account of the Capital Informer, Inc., which Shaw was authorized to serve under its temporary authority. The propriety of this service was subsequently confirmed by the witness for the Capital Informer, Inc.

As to protestants' counsel's allegation that applicant had indicated a willingness, over the telephone, to handle trips within the Washington Metropolitan Transit District, beyond the scope of its temporary authority, applicant's vice president testified that, in fact, a new employee of Shaw had engaged in such conduct. When such conduct was brought to the attention of Shaw's management, the employee was properly instructed and all such conduct was terminated. A witness for Shaw further testified that, had an employee actually booked a trip outside the scope of its temporary authority, such a mistake would have been picked up as part of Shaw's review procedures and the trip would not have been taken.

The vice president of Shaw voluntarily testified that during the term of its temporary authority, Shaw had handled one trip beyond the scope of its temporary authority from Dulles Airport to the District of Columbia. An additional witness from Shaw, Mr. Alvin W. Smith, testified that he had booked the trip on the mistaken belief that Dulles Airport was outside the scope of the Metropolitan District. Shaw's vice president has since met with each employee of that company and instructed them as to the geographic area encompassed within the Metropolitan District and the limitations in its temporary authority and permanent authority sought here.

The marketing director for The Capital Informer, Inc., testified that her company provided over \$200,000 worth of bus transportation business during the past year. The Capital Informer is a convention and trade show service company that offers ground transportation among its many services. Eighty to 85 percent of its business is within this Commission's geographic jurisdiction and The Capital Informer expects business to expand due to the Convention Center in downtown Washington, D. C. The Capital Informer needs the highest quality drivers and equipment to serve its customers who are primarily business persons. The company has experienced problems with other bus companies, has utilized Shaw approximately 40 times since temporary authority was granted, and has found the service to be excellent. The witness' company trusts Shaw and its drivers and feels that Shaw knows and understands The Capital Informer's needs. The Capital Informer is expecting a 25 percent increase in business in 1984. If Shaw's services were no longer available, it would adversely affect The Capital Informer's business and its ability to serve its customers.

The president and owner of Full House Enterprises Corporation, a tour and travel agency catering primarily to oriental tourists visiting the United States, testified that his company serves approximately eight to ten groups per week during the June through December months. These groups usually consist of 25-30 travelers. Full House has experienced numerous problems with carriers originally opposing this application due to incorrect billings, poor service from drivers not adequately knowing the D. C. area, and late pickups -- once causing a group to miss a flight. Full House has used Shaw approximately twice a week since temporary authority was granted and the witness feels that Shaw provides very nice equipment and the drivers know and cater to the needs of the oriental travelers. The Shaw drivers know Chinatown and have been able to direct the travelers to Chinese restaurants in D. C. Full House customers now ask for the services of Shaw. The witness foresees 12 to 15 trips per week during 1984 due to the influx of orientals attending the Olympic Games in Los Angeles, and Full House feels that its business would be hurt if Shaw's service were no longer available.

Title II, Article XII, Section 4(b) of the Compact provides that the Commission shall issue a certificate to any qualified

applicant if it finds ". . . that the applicant is fit, willing and able to perform such transportation properly and to conform to the provisions of this Act and the rules, regulations, and requirements of the Commission thereunder, and that such transportation is or will be required by the public convenience and necessity; otherwise such application shall be denied." In this case the applicant has met the statutory criteria.

Shaw has the equipment for the proposed operation, and this equipment is relatively new, safe, and properly operated and maintained. The applicant has enlarged its fleet of motor coach buses and has the option of further enlarging its fleet in April 1984. The financial basis of the applicant is sound and the rates it proposes are reasonable. Shaw did, at one time, operate within the Metropolitan District upon the mistaken belief that no authority from this Commission was required. When it learned of its need for authority, it terminated its unauthorized operations and sought and was granted the necessary authority. The operations it has conducted reflect a willingness and ability to conform to the Commission's rules and regulations.

The uncontested testimony of public witnesses indicates that the service required by their companies has been provided by Shaw operating under temporary authority from this Commission. Other area bus services have not fully met the needs of these witnesses' companies, and the witnesses, without hesitation, desire the services of Shaw. Under these circumstances, we find that the present and future public convenience and necessity require certification of this applicant to conduct charter operations for The Capital Informer, Inc., and Full House Enterprises Corporation.

**THEREFORE, IT IS ORDERED:**

1. That the application of Shaw Bus Service, Inc., as amended, to transport passengers and baggage in charter operations between points in the Metropolitan District for the accounts of The Capital Informer, Inc., and Full House Enterprises Corporation, restricted against transportation solely within the Commonwealth of Virginia, is hereby granted.

2. That Shaw Bus Service, Inc., is hereby directed to file two copies of its WMATC Tariff No. 1, containing the following rates for charter service:

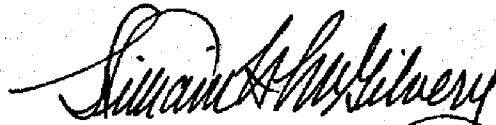
**AIRPORT RATE:** A charge of \$120 per vehicle shall apply to service between Washington National Airport and any point in the District of Columbia and \$160 between Dulles International Airport and any point in the District of Columbia.

HOURLY RATE AND MINIMUM: Except where an airport rate applies, an hourly charge of \$30 shall apply. Passengers shall be charged for a minimum of five hours.

3. That Shaw Bus Service, Inc., is further directed to file an affidavit of compliance with Commission Regulation No. 68 governing identification of vehicles for which purpose WMATC No. 100 is hereby assigned.

4. That unless Shaw Bus Service, Inc., complies with the filing requirements of this Order within 30 days from the date of service hereof, or within such additional time as the Commission may provide, the grant of authority herein shall be void and the application shall stand denied in its entirety effective upon the expiration of the said compliance time.

BY DIRECTION OF THE COMMISSION, COMMISSIONERS WORTHY, SCHIFTER AND SHANNON:

  
WILLIAM H. MCGILVERY  
Executive Director 